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UNCLAS SECTION 01 OF 02 ASTANA 000146

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SUBJECT: CLEAN WATER PROGRAM GIVES KAZAKHSTANIS TASTE OF DEMOCRACY

¶1. Summary: On September 21, ESTH officer observed local water committee elections in the village of Bayanday (population 870), the seventh village to participate in the Clean Water Financing Program for Kazakhstan. The program, funded in part by the EPA, provides clean drinking water to small isolated villages suffering from high rates of water borne diseases. Water systems have been completed in six villages, at an average construction cost of \$50,000. As a result, over 8,000 Kazakhstanis have gained access to safe drinking water. The villagers have also gained valuable exposure to the democratic process, as the program mandates that each village must elect a water committee to oversee the water system. The cessation of EPA funding, however, leaves the future of the program in doubt. End summary.

#### Sustainability Through Ownership

¶2. Clean water remains a scarce commodity in Kazakhstan's villages. Half of the 840 villages in the Almaty region do not have access to safe drinking water. The Clean Water Financing Program, designed and implemented by the Global Environment Technology Foundation (GETF) and the International Center for Environment Finance (ICEF), with funding from the EPA, aims to provide clean drinking water to isolated villages suffering from high rates of water-borne diseases.

¶3. In order to ensure sustainability, the program requires that each participant village pay ten percent of the costs needed to construct a new, or rehabilitate an old, water system. In the six completed projects, costs for villages have ranged from \$3707 to \$5769, or roughly three to four dollars per villager. The villages are also fully responsible for the system's operation, maintenance, and reserve fund. According to Diyas Jubandykov, GETF Country Director, the average monthly tariff paid by each villager is approximately 25-50 cents.

¶4. To further create a sense of ownership, each village is required to elect a water committee to democratically manage and operate its water system. Working through the water committee, villagers agree upon the numbers of hours each day the system delivers water, which, in turn, determines the monthly tariff rate. Once elected by the villagers, the water committee chooses a director and elects members of the audit, management, and operations committee.

¶5. Thus far, six villages, with a combined population of over 8,000, have received access to clean water through the Clean Water Financing Program. The EPA has funded each project, spending between \$25,000 and \$40,000. No further EPA funding exists. The Philip Morris Corp. paid for the project in Bayanday, which is scheduled to be finished in November 2006.

Norway is supporting one project in the village of Ghalgyzagash, also scheduled to be completed in November 2006.

¶6. The GOK has expressed interest in the Clean Water Financing Program. Anatoly Ryabtsev, Chairman of Kazakhstan's Committee on Water Resources, has publicly stated that Kazakhstan should consider adopting similar methodology when providing clean water to small villages. As of now, however, Kazakhstan has yet to implement any programs mirroring those of the Clean Water Financing Program.

¶7. Therefore, according to Jubandykov, one ultimate goal of the ICEF is to demonstrate that its program is a more effective means of creating sustainable clean drinking water systems than existing GOK programs. Jubandykov said that ICEF would first like to strengthen the sustainability of its program by establishing a financial cooperative, which would serve as central bank holding the reserve funds from all participant villages. Each village would be able to borrow funds from the pooled fund to defray the cost of future repairs and improvements. Jubandykov believes that a successful financial cooperative would require the participation of 10-15 villages.

#### Democracy Comes to Kazakhstan

¶8. On September 21, ESTH officer traveled to the village of Bayanday, 30 miles outside of Almaty, to watch the village's water council hold committee elections. Council members, who were elected by the entire village, met to elect a director and representatives for the council's audit, management and operation committees.

¶9. The elections were held at Bayanday's small two room school house, decorated with balloons and streamers for the event. After opening remarks by the county's deputy governor, council members gathered in line and entered the designated voting area,

ASTANA 00000146 002 OF 002

one at a time. Most voters entered solemnly, but left with smiles on their faces. The votes were quickly tabulated and the council gathered again in the schoolhouse to hear the results. While the director was elected unanimously, competition was tight for the other positions. With positions now established, the council will meet at least every once every three months to discuss the water needs of their village constituents.

¶10. Comment: At a low cost, the Clean Water Financing Program for Kazakhstan has provided clean drinking water to over 8,000 Kazakhstanis, influenced GOK thinking on water issues, and enabled seven villages to hold true democratic elections. With word of mouth spreading about the program, enthusiasm has gradually replaced skepticism among Kazakhstanis. Several villages have approached GETF Country Director Jubandykov, money for construction costs in hand, ready to begin the program. Unless additional donors are identified, however, the Clean Water Financing Program is unlikely to have the funds to create water systems in additional villages. End comment  
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